

ITEM NO. \_\_\_\_\_

PREPARED BY: \_\_\_\_\_

APPROVED BY: \_\_\_\_\_

**RESOLUTION TO CLARIFY THE INTENT OF THE BOARD OF  
COUNTY COMMISSIONERS SETTING THE 2008 TAX RATE AS IT RELATES  
TO EDUCATION FUNDING AND STATING ITS INTENT FOR NEXT YEAR'S TAX  
RATE SPONSORED BY CHAIRMAN DEIDRE MALONE**

**WHEREAS**, Ordinance No. 363 was adopted on July 11, 2008, fixing the tax rate for Shelby County for the fiscal year 2009; and

**WHEREAS**, Ordinance No. 363 failed to set a separate tax rate for the operation of schools as had been done historically; and

**WHEREAS**, it is the intention of this Board to clarify that based on the budgeted amounts, the entire proceeds of \$2.02 of the County tax rate inclusive of in lieu taxes designated for school funds collected by the County was appropriated and allocated to the Shelby County School District and the Memphis City School District and will be apportioned to the school districts by the County Trustee on the basis of the weighted full-time equivalent average daily attendance of each of the respective school districts; said funds to be used for the current operation of the school districts as budgeted in total by the County for school operations; and

**WHEREAS**, it is the intention of this Board to clarify that in the event that the aforementioned property taxes do not satisfy the State mandated "Local Maintenance of Effort", any deficiency will be satisfied by the Wheel Tax; and

**WHEREAS**, it is the intention of the Board to clarify that in the event that the entire proceeds of \$2.02 of the County tax rate inclusive of in lieu taxes designated for school funds collected by the County exceed the amounts budgeted for the Shelby County School District and the Memphis City School District, the difference between said budgeted amounts and the entire proceeds of \$2.02 of the County tax rate inclusive of in lieu taxes designated for school funds collected by the County shall be placed in a dedicated Education Fund to be used by the County to pay towards the County's fiscal year 2010 State mandated "Local Maintenance of Effort" obligation; and

**WHEREAS**, it is this Board's intention that its Ordinance Fixing the Tax Rate For Shelby County For the Fiscal Year 2010, and all future years shall set a separate tax rate for the operation of schools as has been done in taxing ordinances prior to the 2008 taxing ordinance, subject to the same qualifications regarding the use of the Wheel Tax and/or the education fund described above.

**WHEREAS**, it is the intent of the County that the amounts budgeted for education be dedicated for the use of education.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SHELBY COUNTY, TENNESSEE, THAT:**

- 1) The annual approval of the public schools budget amounts by the County Commission will be the only funds provided by Shelby County to Memphis City Schools and Shelby County Schools for the current operation of schools, with the exception of "pass through" monies, grant monies and any funds specifically authorized by the County Commission for use by public schools in Shelby County.
- 2) The budget approval process noted herein will not provide for artificially increasing the County funds to increase "maintenance of effort" requirements. Only the annual or biannual budgeted amount shall count against the maintenance of effort requirement.

- 3) Based on the budgeted amount for public schools, the entire proceeds of \$2.02 of the County tax rate inclusive of in lieu taxes designated for school funds collected by the County was appropriated and allocated to the Shelby County School District and the Memphis City School District for the 2009 fiscal year.
- 4) The County Trustee shall apportion the entire proceeds of the aforementioned taxes to the Shelby County School District and the Memphis City School District on the basis of the weighted full-time equivalent average daily attendance of each of the respective school districts; said funds to be used for the current operation of the school districts as budgeted in total by the County for school operations.
- 5) In the event that the allocated proceeds of the aforementioned property taxes do not satisfy the State mandated "Local Maintenance of Effort", any deficiency will be satisfied by using proceeds of the Wheel Tax.
- 6) In the event that the entire proceeds of \$2.02 of the County tax rate inclusive of in lieu taxes designated for school funds collected by the County exceeds the amounts budgeted for the Shelby County School District and the Memphis City School District the difference between said budgeted amounts and the entire proceeds of \$2.02 of the County tax rate inclusive of in lieu taxes designated for school funds collected by the County shall be placed in a dedicated Education Fund to be used by the County to pay toward the County's 2010 "Local Maintenance of Effort" obligation, and the Board of Commissioners may use these funds to reduce the tax rate stated for public schools in the next fiscal year.
- 7) That the Board's Ordinance Fixing the Tax Rate For Shelby County For the Fiscal Year 2010, and all future years shall set a separate tax rate for the operation of schools, subject to the same qualifications regarding the use of the Wheel Tax and/or the education fund described above.

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A. C. Wharton, Jr., County Mayor

Date: \_\_\_\_\_

ATTEST:

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Clerk of County Commission

ADOPTED:

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